THE PRESIDENT'S MESSAGE.

RESULTS OF HIS ADMINISTRATION. WEAT HAS BEEN ACCOMPLISHED-THE INDIAN POL-V-RELATIONS WITH FOREIGN POWERS-THE CLAIMS COMMISSIONS-AN INCREASE IN THE ARMY APPROPRIATIONS ABSOLUTELY NECESSARY -A COMPLIMENT TO SECRETARY ROBESON-A BRIEF REFERENCE TO THE ELECTORAL SYSTEM-EDUCATIONAL SUFFRAGE-WHAT THE ANNEXA-

TION OF SANTO DOMINGO MIGHT HAVE DONE.

To the Senate and House of Representatives : In submitting my eighth and last annual message to Congress it seems proper that I should refer to and in some degree recapitulate the events and official acts of the past eight years. It was my fortune or misfortune to be called to the office of Chief Executive without any previous political training. From the age of 17 I had never even witnessed the excitement attending a Presidential campaign but twice autecedent to my own candidacy, and at but one of them was I eligible as a voter. Under such circumstances it is but reasonable to suppose that errors of judgment must have occurred. Even had they not, differences of opinion between the Executive, bound by an oath to the strictest performance of his duties, and writers and debaters must have arisen. It is not necessarily evidence of blunder on the part of the Executive because there are these differences of views. Mistakes have been made, as all can see and I admit, but it seems to me oftener in the selections made of the assistants appointed to aid in carrying out the various duties of administering the Government, in nearly every case selected without a personal acquaintance with the appointee, but upon recommendations of the representatives chosen directly by the people. It is impossible, where so many trusts are to be allotted, that the right parties should be chosen in every instance. History shows that no Administration from the time of Washington to the present has been free from these mistakes; but I leave comparisons to history, claiming only that I have acted in every instance from a conscientious desire to do what was right, constitutional, within the law, and for the very best interests of the whole people. Failures have been errors of judgment, not of interest.

RECONSTRUCTION-FINANCE. My civil career commenced too at a most critical and difficult time. Less than four years before the country had emerged from a conflict such as no other nation had ever survived. Nearly one half of the States had revolted against the Government, and of those remaining faithful to the Union a large percentage of the population sympathized with the rebellion, and made an enemy in the rear almost as dangerous as the more honorable enemy in front. The latter committed errors of judgment, but they maintained them openly and courageously; the former received the protection of the Government they would see destroyed, and reaped all the pecuniary advantage to be gained out of the then existing state of affairs, many of them by obtaining con tracts and by swindling the Government in the delivery of their goods. Immediately on the cessation of hostilities the then noble President who had carried the country so far through its perils, fell a martyr to his patriotism at the hands of an assassin. The intervening time to my first inauguration was filled up with wranglings between Congress and the new Executive as to the best mode of reconstruction. or to speak plainly, as to whether the control of the Government should be thrown immediately into the hands of those who had so recently and persistently tried to destroy it; or whether the victors should continue to have an equal voice with them in this control. Reconstruction, as finally agreed upon, means this, and only this; except that the late slave was enfranchised, giving an increase as was supposed to the Union-loving and Union-supporting votes. If free in the full sense of the word, they would not disappoint this expectation. Hence, at the beginning of my first administration, the work of reconstruction, much embarrassed by the long delay, virtually commenced. It was the work of the legislative branch of the Government. My province was wholly in approving their acts, which I did most heartily, urging the Legislatures of States that bad not yet done so to ratify the Fifteenth Amendment to the Constitution.

The country was laboring under an enormous debt contracted in the suppression of rebellion, and taxation was so oppressive as to discourage production. Another danger also threatened us-a foreign war. The last difficulty had to be adjusted, and was adjusted without a war, and in a manner highly honorable to all parties concerned. Taxes have been reduced within the last seven years nearly \$300, 000,000, and the national debt has been reduced in the same time over \$435,000,000 by refunding the six per cent bonded debt for bonds bearing five and four and one-half per cent interest respectively. The annual interest has been reduced from over \$130,000,000 in 1869 to but little over \$100,000,-000 in 1876. The balance of trade has been changed from over \$130,000,000 against the United States in 1869 to more than \$120,000,000 in 1876. It is confidently believed that the balance of trade in favor of the United States will increase, not diminish, and that the pledge of Congress to resume specie payments in 1879 will be easily accomplished, even in the absence of much-desired further legis-lation on the subject.

THE INDIANS. A policy has been adopted toward the Indian tribes inhabiting a large portion of the territory of the United States which has been humane; has substantially ended Indian hostilities in the whole land, except in a portion of Nebraska and Dakota, Wyoming and Montana Territories, the Black Hills region, and approaches thereto. Hostilities there have grown out of the avarice of the white man, has violated our treaty stipulations in his search for gold. The question might be asked why the Government has not enforced obedience to the terms of the treaty prohibiting the occupation of the Black Hills region by whites. The answer is simple. The first immigrants to the Black Hills were removed by troops, but ramors of rich discoveries of gold took into that region increased num bers. Gold has actually been found in paying quantity, and an effort to remove the miners would only result in the desertion of the bulk of the troops that might be sent there to remove them. All difficulty in this matter has, however, been removed, subject to the approval of Congress, by a treaty ceding the Black Hills and approaches to settlement by citizens. The subject of the Indian policy and treatment is so fully set forth by the Secretary of the Interior and the Commissioner of Indian Affairs, and my views so fully expressed therein, that I refer

to their reports and recommendations as my own. FOREIGN RELATIONS. The relations of the United States with foreign Powers continue on a friendly footing. Questions have arisen from time to time in the foreign relations of the Government, but the United States have been happily free during the past year from the complications and embarrassments which have surrounded some of the foreign Powers. The diplomatic correspondence submitted herewith contains information as to certain of the matters which have occupied the Government. The cordiality which attends our relations with the Powers of the earth has been plainly shown by the general participation of foreign nations in the Exhibition which has just closed, and by the exertions made by distant Powers to show their interest in and friendly feelings toward the United States in the commemoration of the centennial of the nation. The Government and people of the United States have not only fully appreciated this exhibition of kindly feeling, but it may be justly and fairly expected that no small benefits will result both to ourselves and other nations from a better acquaintance, and a better appreciation of our mutual advantages and mutual

Congress at its last session saw fit to reduce the amount annually appropriated for foreign intercourse by withholding appropriations for representatives of the United States in certain foreign countries and for certain consular officers, and by reducing the amounts usually appropriated for certain other diplomatic posts, and thus necessitating nge in the grade of the representative. For these reasons, immediately upon the passage of the bill making appropriations for the diplomatic and

consular service for the present fiscal year, instructions were issued to the representatives of the United States at Bolivia, Ecuador and Colombia, and to the consular officers for whom no appropriation had been made, to close their respective legations and consulates, and cease from the performance of their duties; and in like manner steps were immediately taken to substitute charges d'affaires for ministers resident in Portugal, Denmark, Greece. Switzerland and Paraguay. While thoroughly impressed with the wisdom of sound economy in the foreign service as in other branches of the Government, I cannot escape the conclusion that in some instances the withholding of appropriations will prove an expensive economy, the small retrenchment secured by a change of grade in certain diplomatic posts is not an adequate consideration for the loss of influence and importance which will attend our foreign representatives under the reduction. I am of the opinion that a reëxamination of the subject | frequent occasions which induce such adopted citiwill cause a change in some instances, in the conclusions reached on these subjects at the last session of Congress.

The Court of Commissioners of Alabama Claims whose functions were continued by an act of the last session of Congress until the 1st day of January, 1877, has carried on its labors with diligence and general satisfaction. By a report from the Clerk of the Court, transmitted herewith, bearing date Nov. 14, 1876, it appears that within the time now allowed by law the Court will have disposed of all the claims presented for adjudication. This report also contains a statement of the general results of the labors of the Court to date thereof. It is a cause of satisfaction that the method adopted for the satisfaction of the classes of claims submitted to the Court, which are of long standing and justly entitled to the early consideration should prove successful and acceptable.

It is with satisfaction that I am enabled to state that the work of the Joint Commission for determining the boundary line between the United States and the British Possessions from the north-west angle of the Lake of the Woods to the Rocky Mountains, commenced in 1872, has been completed. The final agreements of the Commissioners with the maps have been duly signed, and the work of the Commission is complete. The fixing of the boundary upon the Pacific Coast by the protocol of March 10, 1873, pursuant to the award of the Emperor of Germany, by Article XXXIV. of the Treaty of Washington, with the termination of the work of this Commission, adjusts and fixes the entire boundary between the United States and the British Possessions, except the portion of territory coded by Russia to the United States under the Treaty of 1867. The work intrusted to the Commissioner and the officers of the army attached to the Commission has been well and satisfactorily performed. The original of the final agreement of the Commissioners, signed upon the 29th of May, 1876, with the original "list of astronomical stations observed," the original official "list of monuments marking the international boundary line," and the maps, records. and general reports relating to the Commission, have been deposited in the Department of State. The official report of the Commissioner on the part of the United States, with the report of the Chief Astronomer of the United States, will be submitted to Congress within a short time.

I reserve for a separate communication to Congres a statement of the condition of the questions which lately arose with Great Britain respecting the surrender of fugitive criminals under the Treaty of

The Ottoman Government gave notice under date of January 15, 1874, of its desire to terminate the treaty of 1862 concerning commerce and navigation pursuant to the provisions of the 22d article thereof. Under this notice, the treaty terminated upon the 5th day of June, 1876. That Government new treaty. By the act of Congress of March 23, 1874, the President was authorized, when he should receive satisfactory information that the Ottoman Government or that of Egypt had organized new tribunals likely to secure to citizens of the United States the same impartial justice enjoyed under the exercise of judicial functions by diplomatic and consular officers of the United States, to suspend the consular officers of the United States, to suspend the consular officers of the United States, to suspend the consular officers of the United States, to suspend the consular officers of the United States, to suspend the consular officers of the United States, to suspend the consular officers of the United States, to suspend the consular officers of the United States, to suspend the consular officers of the United States, to suspend the consular officers of the United States the same impartial justice enjoyed under the exercise of judicial functions by diplomatic and consular officers of the United States, to suspend the consular officers of the United States the same impartial justice enjoyed under the exercise of judicial functions by diplomatic and consular officers of the United States the same impartial justice enjoyed under the exercise of judicial functions by diplomatic and consular officers of the United States the same impartial justice enjoyed under the exercise of judicial functions by diplomatic and consular officers of the United States the same impartial justice enjoyed under the consular of the con has invited negotiations toward the conclusion of a consular officers of the United States, to suspend the operation of the act of June 22, 1860, and to accept for citizens of the United States the jurisdiction of the new tribunals. Satisfactory information having been received of the organization of such new tribunals in Egypt, I caused a proclamation to be issued on the 27th of March last, suspending the operation of the act of June 22, 1860, in Egypt, according to the provisions of the act. A copy of the proclamation accompanies this message. The United States have united with the other Powers in the organization of these courts. It is hoped that | ject before it. These are now under consideration, the jurisdictional questions which have arisen may be readily adjusted, and that this the advance in judicial reform may be hindered by no obstacles.

The necessary legislation to carry into effect the onvention respecting commercial reciprocity concluded with the Hawaiian Islands in 1875 having been had, the proclamation to carry into effect the convention, as provided by the act approved Aug. 15, 1876, was duly issued upon the 9th day of Sep tember last. A copy thereof accompanies this mes-

The commotions which have been prevalent in Mexico for some time past, and which, unhappily, seem to be not yet wholly quieted, have led to com plaints of citizens of the United States of injuries by persons in authority. It is hoped, however, that these will ultimately be adjusted to the satisfaction of both governments. The frontier of the United States in that quarter has not been exempt from acts of violence by citizens of one republic or those of the other. The frequency of these is supposed to be ncreased and their adjustment made more difficult by the considerable change in the course of the lower part of the Rio Grande River, which river is a part of the boundary between the two countries. These changes have placed on either side of the river portions of land which, by existing convenbelong to the jurisdiction of the government on the opposite side of the river. The subject of the adjustment of this cause of difficulty is under consideration between the two republics.

The Government of the United States of Colombia has paid the award in the case of the steamer Montijo, seized by the authorities of that Government some years since, and the amount has been transferred to the claimants.

It is with satisfaction that I am able to announce that the joint commission for the adjustment of claims between the United States and Mexico, under the convention of 1868, the duration of which has been several times extended, has brought its labors to a close. From the report of the agent of the United States, which accompanies the papers transmitted here with, it will be seen that within the time limited by the commission 1,017 claims on the part of citizens of the United States against Mexico were referred to the commission. Of these claims 831 were dismissed or disallowed, and in 186 cases awards were made in favor of the claimants against the Mexican Republic, amounting in the aggregate to \$4,125,622 20. Within the same period 998 claims on the part of the citizens of the Mexican Republic against the United States were referred to the commission. Of these claims 831 were dismiseed or disallowed, and in 167 cases awards were made in favor of the claimants against the United States, amounting in the aggregate to \$150,498 41. By the terms of the convention the amount of these awards is to be deducted from the amount awarded in favor of our citizens against Mexico and the balance only to be paid by Mexico to the United States, leaving the United States to make provisions for this proportion of the awards in favor of its own citizens. I invite your attention to the legislation which will be necessary to provide for the payment. In this connection I am pleased to be able to express the acknowledgements due to Sir Edward Thornton, the umpire of the commission, who has given to the consideration of the large number of claims submitted to him much time, unwearied patience, and that fairness and intelligence which are well known to belong to the accomplished representative of Great Britain, and which are likewise recognized by the representative in this country of the Republic of Mexico.

Monthly payments of a very small part of the

amount due by the Government of Venezuela to citizens of the United States on account of claims of the latter against that Government continue to be made with reasonable punctuality. That Government has proposed to change the system which it has hitherto pursued in this respect by issuing bonds for part of the amount of the several claims. The proposition, however, could not, it is supposed, properly be accepted, at least without the consent of the holders of certificates of the indebtedness of Venezuela. These are so much dispersed that it would be difficult, if not impossible, to ascertain their disposition on the subject. on the subject.

NATURALIZATION.

In former messages I have called the attention of Congress to the necessity of legislation with regard to fraudulent naturalization, and to the subject of expatriation and the election of nationality. The numbers of persons of foreign birth seeking a home in the United States, the ease and facility with which the honest emigrant may, after the lapse of a reasonable time, become possessed of all the privileges of citizenship of the United States, and the zens to return to the country of their birth, render the subject of naturalization and the safeguards which experience has proved necessary for the protection of the honest naturalized citizens of paramount importance. The very simplicity in the requirements of the laws on this question afford op-portunity for fraud, and the want of uniformity in the proceedings and records of the various courts and in the forms of the certificates of naturalization issued afford a constant source of difficulty. I sug-gest no additional requirements to the acquisition and in the forms of the certificates of naturalization issued afford a constant source of difficulty. I suggest no additional requirements to the acquisition of citizenship beyond those now existing, but I invite the earnest attention of Congress to the necessity and wisdom of some provisions regarding uniformity in the records and certificates, and providing against the francis which frequently take place, and for the vacating of a record of naturalization obtained by fraud, these provisions are needed in aid and for the protection of the honest citizen of foreign birth, and for the want of which he is made to suffer not infrequently. The United States have insisted upon the right of expatriation, and have obtained, after a long struggle, an admission of the principle contended for by the acquiescence therein on the part of many foreign powers and by the conclusion of treaties on that subject. It is, however, but justice to the government to which such naturalized citizens have formerly owed allegiance, as well as to the United States, that certain fixed and definite rules should be adopted governing such cases, and providing how expatriation may be accomplished. While emigrants in large numbers become citizens of the United States, it is also true that persons, both native born and naturalized, once citizens of the United States, it is also true that persons, both native born and naturalized, once citizens of the United States, on assert a claim to protection in the absence of provisions on these questions.

And in this connection I again invite your attention to the necessity of legislation concerning the marriages of American eitzens contracted abroad, and concerning the status of American women who may marry foreigners, and of children born of American parents in a foreign country. The delicate and complicated questions continually occurring with reference to naturalization, expatriation, and the status of such persons as I have above referred to, induce me to carnestly direct your attention again to these

again to these subjects. In like mather I repeat in recommendation that some means be provided for the hearing and determination of the just and sub-sisting claims of a lien upon the Government of the United States within a reasonable limitation, and of such as may hereafter arise. While, by existing provisions of law, the Court of Claims may in certain cases be resorted to by an alien claimant, the ab-sence of any general provisions governing all such cases, and the want of a tribunal skilled in the discases, and the want of a tribunal skilled in the dis-position of such cases upon recognized, fixed, and settled principles, either provides no remedy in many deserving cases or compels a consideration of such claims by Congress or the Excentive Departments of the Government. It is believed that other Gov-ernments are in advance of the United States upon this question, and that the practice now adopted is entirely unsatisfactory.

COLORADO.

Congress, by an act approved the 3d day of March 1875, authorized the inhabitants of the Territory of Colorado to form a State Government, with the name of the State of Colorado, and therein provided for the admission of said State, when formed, into the Union, upon an actual footing with the original

THE ARMY.

The report of the Secretary of War shows that the army has been actively employed during the year in subduing, at the request of the Indian Bureau, certain wild bands of the Sioux Indian Nation, and in preserving the peace at the South during the election. The commission constituted under the act of July 24, 1876, to consider and report on the whole subject of referm and reorganization of the whole army, met in August last, and has collected a large mass of statistics and opinions bearing upon the suband their report is progressing. I am advised, through the president of the commission, that it will be impracticable to comply with the clause of the act requiring the report to be presented through me to Congress on the first day of this session, as there has not been time for that mature deliberation there has not been time for that mature deliberation which the importance of the subject demands. Therefore I ask that the time of making the report be extended to the 29th day of January, 1877. In accordance with the resolution of Aug. 15, 1876, the army regulations prepared under the act of March 1, 1875, have not been premulgated, but are held until after the report of the above-mentioned commission shall have been received and acted on.

By the act of Aug. 15, 1876, the cavalry force of the army was increased by 2,500 men, with the provise that they should be discharged on the expiration of the hostilities. Under this authority the cavalry regiments have been strengthened, and a portion of them are now in the field pursuing the remnants of the Indians with whom they have been engaged during the Summer. The estimates of remnants of the inclaims with whom they have been engaged during the Summer. The estimates of the War Department are made up on the basis of the number of men authorized by law, and their requirements, as shown by years of experience, and also with the purpose on the part of the bureau officers to provide for all contingencies that may arise during the time for which the estimates are made, when ye of engineer estimates presented in according during the time for which the estimates are made, exclusive of engineer estimates presented in accordance with acts of Congress, calling for surveys and estimates for improvements at various localities. The estimates now presented are about six millions in excess of the appropriations for the years 1874-75 and 1875-76. This increase is asked in order to provide for the increased cavalry force, should their services be necessary; to prosecute economically work upon important public buildings; to provide for armaments of fortifications and manufacture of small-arms, and to replenish the working stock in the supply departments. The appropriations for these last-named have for the past few years been so limited that the accumulations in store will be netirely exhausted during the present year, and it will be necessary to no once begin to reyear, and it will be necessary to at once begin to re-plenish them. I invite your special attention to the following recommendations of the Secretary of War:

First: That the claims under the act of July 4. First: That the claims under the act of July 4, 1864, for supplies taken by the army during the war be removed from the offices of the Quartermaster and Commissary Generals and transferred to the Southern Claims Commission. These claims are of a precisely similar nature to those now before the Southern Claims Commission and the War Department bureaus have not the clerical force for their examination, nor proper machinery for investigating the loyalty of the claimants.

Second: That Congress sanction the scheme of an annuity fund for the benefit of the families of deceased officers, and that it also provide for the permanent organization of the Signal Service, both of which were recommended in my last annual message.

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Third: That the manufacturing operators of the Ordnance Department be concentrated at three arsenals and an armory, and that the remaining arsenals be sold and the proceeds applied to this object by the Ordnance Department.

HARBOR IMPROVEMENTS.

The appropriation for river and harbor improv ments for the current year were \$5,015,000. With my approval the Secretary of War directed that of this amount \$2,000,000 should be expended and no new work should be begun and none prosecuted which were not of national importance. Subsequently this amount was increased to \$2,237,600, and the works are now progressing on this basis. and the works are now progressing on this basis. The improvement of the South Pass of the Mississippi River, under James B. Eads and his associates, is progressing favorably. At the present time there is a channel of 203₁₀ feet in depth between the jetties at the mouth of the Pass and 18½ feet at the head of the Pass. Neither channel, however, has the width required before payments can be made by the United States. A commission of engineer officers is now examining the works, and their reports will be presented as socials received. THE NAVY.

The report of the Secretary of the Navy shows that branch of the service to be as effective as it is possible to keep it with the means and authority

given the department. It is of course not possible to rival the costly and progressive establishments of great European powers with the old material of our navy, to which no increase has been authorized since the war, except the eight small cruisers built to supply the place of others which had gone to decay. Yet the most has been done that was possible with the means at command, and by substantially rebuilding some of our old ships with durable material, and completely repairing and refitting our monitor fleet, the navy has been gradually so brought up that, though it does not maintain its relative position among the progressive navies of the world, it is now in a condition more powerful and effective than it ever has been in time of peace. The complete repairs of our fine heavy ironciads are only delayed on account of the inadequacy of the appropriations made last year for the working bureaus of the department which were extendly less in account then ions made last year for the working bureaunt than lepartment, which were actually less in amount than tions made lest year for the working bureaus of the department, which were actually less in amount than those made before the war, notwithstanding the greatly enhanced price of labor and materials and the increase in the cost of the naval service growing out of the universal use and great expense of steam machinery. The money necessary for these repairs should be provided at once, that they may be completed without further unnecessary delay and expense. When this is dene, all the strength that there is in our navy will be developed and useful to its full capacity, and it will be powerful for purposes of defense, and also for offensive action should the necessity for that arise within a reasonable distance from our shores. The fact that our navy is not more modern and powerful than it is has been made a cause of complaint against the Secretary of the Navy by persons who at the same time criticise and complain of his endeavors to bring the navy that we have to its best and most efficient condition, but the good sense of the country will understand that it is really due to his practical action that we have at this time any effective navy force at company action that we have at this time any effective navy

THE POSTAL SERVICE.

The report of the Postmaster-General shows the excess of expenditures, excluding expenditures on account of previous years, over receipts for the fiscal year ended June 30, 1876, to be \$4,151,988 66. Estimated expenditures for the fiscal year ending June 30, 1877, are \$36,723,432 43. Estimated revenue for the same period is \$30,645,165; leaving an estimated excess of expenditure to be appropriated as a deficiency of \$6,078,267 48. The Postmaster-General, like bis predecessor, is convinced that a change in the basis of adjusting the salaries of postmasters of the fourth class is necessary for the good of the service, as well as for the interests of the Government, and urgently recommends that the compensation of the class of postmasters above mentioned be based upon the business of their re-

mentioned be based upon the business of their re-spective offices, at ascertained from the aworn re-turns to the auditor of stamps canceled.

A few postimasters in the Southern States have ex-pressed great apprehension of their personal safety on account of their connection with the postal ser-vice, and have specially requested that their reports of apprehended danger should not be made public lest it should result in the loss of their lives. But no positive testimony of interference has been sub-mitted, except in the case of a mail messenger at Spartanburg, in South Carolina, who reported that he had been violently driven away while in charge of the mails, on account of his political affiliations. An assistant superintendent of the railway mail service investigated this case, and reported that the messenger had disappeared from his post, leaving his work to be performed by a substitute. The Postmaster-General thinks this case is sufficiently suggestive to justify him in recommending that a more severe punishment should be provided for the offense of assaulting any person in charge of the mails, or of retarding or otherwise obstructing them by threats of personal injury.

A very gratifying result is presented in the fact that the deficiency of the department during the An assistant superintendent of the railway mai

A very gratifying result is presented in the fact that the deficiency of the department during the last fiscal year was reduced to \$4,081,790 18, as against \$6,162,938 88 of the preceding year. The difference can be traced to the large increase in its ordinary receipts (which greatly exceeded the estimates therefor) and a slight decrease in its expenditures. The ordinary receipts of the Post-Office Department for the past seven fiscal years have increased at an average of over 8 per cent per annum, while the increase of even ditures for the same while the increase of expenditures for the same period has been about 5.50 per cent per annum, and the decrease of deficiency in the revenues has been at the rate of nearly 2 per cent per annum.

AGRICULTURE.

The report of the Commissioner of Agriculture, ac companying this message, will be found one of great interest, marking, as it does, the great progress of the last century in the variety of products of the soil, increased knowledge and skill in the labor of producing, saving and manipulating the same to prepare them for the use of man, in the improvements in machinery to aid the agriculturist in his labors, and in a knowledge of those scientific subjects necessary to a thorough system of economy in agricultural production, namely; chemistry, botany, entomology, etc. A study of this report by those interested in agriculture and deriving their support from it will find it of value in pointing out those articles which are raised in greater quantity than the needs of the world require and must sell, therefore, for less than the cost of production, and those which command a profit over cost of production because there is not an over-production. I call special attention to the need of the department for a new gallery for the reception of the exhibits returned from the Centennial Exhibition, including the exhibits donated by very many foreign nations, and to the recommendations of the Comprisions of Armshitz Comprisions.

Commissioner of Agriculture generally.

The reports of the District Commissioners and the Board of ricaith are just received, too late to reathern and to make recommendations thereon, and as mers and the rewith submitted.

THE INTERNATIONAL EXHIBITION.

The International Exhibition held in Philadelphia this year in commemoration of the one hundredth anniversary of American Independence has proven a great success, and will no doubt be of enduring advantage to the country. It has shown the great progress in the arts, sciences, and mechanical skill made in a single century, and demonstrated that we are but little behind older nations in any one branch, while in some we scarcely have a rival. It has served, too, not only to bring peoples and products of skill and labor from all parts of the world together, but in bringing together people from all sections of our own country, which must prove a great benefit in the information imparted and the pride of country engendered. It has been suggested by scientists interested in and connected with the Smithsonian Institution, in a communication here-Smithsonian Institution, in a communication herewith inclosed, that the Government exhibit be removed to the Capitol and a suirable building be erected or purchased for its accommodation as a permament exhibit. I caracestly recommend this and, believing that Congress would second this view, I directed that all Government exhibits at the Centennial Exhibition should remain where they are, except such as might be injured by remaining in a building not intended as a protection in inclement weather, or such as may be wanted by the department farnishing them until the question of permanent exhibition is acted on. Although the moneys appropriated by Congress to enable the participation of the several Executive departments in the International Exhibition of 1876 were not sufficient to carry out the undertaking to the full extent at first contemplated, it gives me pleasure to refer to the very efficient and creditable manner in which the board appointed from these several departments to provide an exhibition on the part of the Government have discharged their duties with the funds placed at their command, without a precedent to guide them in the preparation of such a display. The success of their labous was amply attested by the sustained attention which the contents of the Government Building attracted during the period of the Exhibition, illustrating as it does the mineral resources of the country, the statistical and practical evidences of our growth as a nation and the uses of the nechanical arts, and the applications of applied science in the administration of the affairs of government. Many nations have voluntarily contributed their exhibits to the United States to increase the interest in any permanent exhibition Congress may provide for. For this act of generosity they should receive the thanks of the people, and I respectfully suggest that a resolution of Congress to that effect be adopted. with inclosed, that the Government exhibit be rethat effect be adopted.

THE ELECTORAL SYSTEM. The attention of Congress cannot be too earnestly

called to the necessity of throwing some greater safeguard over the method of choosing and declaring the election of a President. Under the present system there seems to be no provided remedy for contesting the election in any one State. The remedy is partially no doubt in the enlightenment of electors. The compulsory support of the free schools and the disfranchisement of all who cannot read and write the English language after a fixed probation would meet my hearty approval. I would not make this apply, however, to those already voters, but I would to all becoming so after the expiration of the proba-tion fixed upon. Foreigners coming to the country to all becoming so after the expiration of the production fixed upon. Foreigners coming to the country to become citizens who are educated in their own language would acquire the requisite knowledge of ours during the necessary residence to obtain naturalization. If they did not take interest enough, interest in our language, to acquire sufficient knowlinterest in our language, to acquire sufficient knowlinterest in our language, to acquire sufficient knowlinterest in our language. interest in our language, to acquire sufficient knowledge of it to enable them to study the mstitutions and laws of the country intelligently, I would not

confer upon them the right to make such laws nor to select those who do.

SANTO DOMINGO.

I append to this message for convenient reference a synopsis of administrative events and of all

recommendations to Congress made by me during

the last seven years. Time may show some of these recommendations not to have been wisely conceived but I believe the larger part will be no discredit to the Administration. One of these recommendations met with the united opposition of one political party in the Senate and with a strong opposition from the other, namely, the treaty for the annexation of Santo Domingo to the United States, to which I shall specially refer, maintaining, as I do, that if my views had been concurred in the country would be in a more prosperous condition to-day, both politically and financially. Santo Domingo is fertile, and upon its soil may be grown just those tropical products of which the United States use so much, and which are produced and prepared for market now by slave labor almost exclusively, namely, sugar, coffee, dyewoods, mahogany, tropical fruits, tobacco, etc. About 75 per cent clusively, namely, sugar, coffee, dyewoods, mahogany, tropical fruits, tobacco, etc. About 75 per cent of the exports of Cuba are consumed in the United States. A large percentage of the exports of Brazil also find the same market. These are paid for almost exclusively in coin, legislation, particularly in Cuba, being unfavorable to a mutual exchange of the products of each country. Flour shipped from the Mississippi to Havana can pass by the very entrance to the city on its way to a port in Spain, then pays a duty fixed upon articles to be reexported, transferred to a Spanish vessel, and brought back almost to the point of starting, paying a second duty, and still have a profit over what would be received by direct shipment. All that is produced in Cuba could be produced in Santo Domingo. Being a part of the United States, commerce between the island and main land would be free; there would be no export duties on her shipments, nor import duties on those coming here. There would have been produced upon Cubau commerce with these advantages to a rival is observable at a glance. The Cuban question would have been settled long ago in favor of "free Cuba." Hundreds of American vessels would now be advantageously used in transporting the valuable woods and other products of the soil of the island to a market and if carrying supplies and emigrants to it. The island is but sparsely settled, while it has an area sufficient for the profitable employment of several millions of people. The soil would have soon fallen into the hands of United States capitalists. The products are so valuable in commerce that emigration there would have been encouraged. The cmancipated race of the South would have found there a congenial home where their civil rights would not be disputed, and where their labor would be so much tion there would have been encouraged. The chancipated race of the South would have found there a
congenial home where their civil rights would not
be disputed, and where their labor would be so much
sought after that the poorest among them could
have found the means to go. Thus in cases
of great oppression and cruelty such as
have been practiced upon them in many
places within the last eleven years, whole
communities would have sought refuge in Santo
Domingo. I do not suppose the whole race would
have gone, nor is it desirable that they should—their
labor is desirable, indispensable almost where they
now are, but the possession of this territory would
have left the negro "master of the situation" by
enabling him to demand his rights at home on the
pain of finding them elsewhere. I do not present
these views now as a recommendation for a renewal
of the subject of annexation, but I do refer to it to
vindicate my previous action in regard to it.

With the present Congress my official life terminates. It is not probable that public affairs will
ever again receive attention from me further than
as a citizen of the Republic, always taking a deep
intered in the hore, unterrity, and presenting the

as a critizen of the Republic, always taking a deep interest in the honor, integrity, and prosperity of the whole land.

U. S. GRANT.

he whole land.

Executive Mansion, Dec. 5, 1876. OPERATIONS OF THE MINT.

A BUSY YEAR.

THE COUNTRY HAS ALREADY HALF ENOUGH GOLD TO RESUME SPECIE PAYMENTS-DR. LINDER-MANN'S RECOMMENDATIONS.

Washington, Dec. 5 .- The Director of the Mint in his annual report of the operations of the United States Mints and Assay Offices, says:

States Mints and Assay Offices, says:

During the year the amount of gold deposited for coinage and bars was \$41,943,285 42, and sliver deposits and purchases, \$24,374,551 81. The coinage of gold was \$38,178,962 50, and of silver, \$19,126,502 50, besides \$250,350 in minor coins. This was an increase over the coinage of the preceding year of \$4,624,997 50 in gold and \$9,054,134 50 in silver. Since the passage of the appropriation bills providing for the support of the mints, these institutions have been rup to their fullest capacity in manufacturing silver coin for the redemption of fractional currency, in addition to gold and trade dollar colnage. During the months of August and September of the current year, the coinage of silver amounted to \$4,398,210 in subsidiary coin, and \$1,082,200 in trade dollars, being at the rate of \$52,882,460 per annum. This is by far the heaviest silver coinage for any corresponding period of thus in the history of the Mint. The larxest silver coinage in any year preceding the establishment of the Mint bureau was in 1853, immediately after the change of standard, and amounted to \$9,077,571. Should any laws be conacted at the approaching session of Congress contemplating the basic of silver in any other mode than the redemption of fractional and in exchange for silver at the New-Orleans Mint is respectfully submitted. That institution could be put in condition for such coinage in about three months, and at an expense of about \$75,000. In addition to the regular coinage operations, there institution could be put in condition for suc about three months, and at an expense of ab about three months, and at an expense of about \$75,000. In addition to the regular coinage operations, there were manufactured at the Pailadelphia Mint 1,864 medats and 1,843 dies. In compliance with a request made by the Venezuelan Government and in conformity with law, preparations have been made at the Pailadelphia Mint to strike for that Government the sum of \$150,000 in minor coins of copper and \$100.00 in minor coins of copper and \$100.00 in minor coins of copper and \$100.00 for more coins of copper and \$100.00 for more matter with the most authentic sources of information which could be production of gold and silver for the fiscal year was about \$85,250,000 of which amount \$46,750,000 was gold and \$38,500,000 silver.

gold and \$38,500,000 silver.

The director devotes the principal part of his report to a review of the several propositions for the coinage of legal-tender sliver dollars under double standard. The director recommends not only that the legal tender of silver coins be increased to \$10, but that on and after the resumption of specie payments these coins be made receivable by law at the Treasury of the United States and its principal offices in payment of all dues except duties on customs. He also recommends that the trade dollar be coined exclusively on the Government account, and be made a legal tender to the amount of \$50 or \$100. It is already a vainable trade coin, and if made a legal tender to the a valuable trade coin, and if made a legal tender to the amount stated would enable banks better to stock themselves with specic, and in other ways prove a useful addition to the circulation. The special value which this coin possesses for expert to China would operate to prevent a redundancy, and any undue withdrawal could be replaced by coinage at the minus. The silver coins in circulation in Great Britain are stated by competent authority to be \$20,000,600, equal to nearly \$100,000,000. The director thinks that if the silver coinage laws should be amended as suggested, an amount fully equal to that sum could be advantageously employed in ordurary money transactions of the

silver coinnies lives should be amended as suggested, as amount fully equal to that aum could be advantageously employed in ordinary money transactions of the people of the United States.

For resumption on a gold basks, the Director says the country has already a stock of that metal amounting to about \$2150,000,000, which is had the amount required for that purpose, and the amound domestic production of that metal exceeds that of silver. Of the latter metal here is not probably more than \$3,000,000 in the country, exclusive of change money, plate and other manufactured articles. There would not be any more difficulty in retaining our gold product than that of silver, and either or both will be exported whenever there are foreign balances which cannot be adjusted in some other way. If a double standard is to be established on a basis which will practically make silver the actual standard, the question arises as to the source from whence the necessary repply of silver is to be derived. The annual silver produc of our mines, even at the increased rate of last year's pro inction, and which it is probable will not be permanently maintained, would be quite manuficient for the purpose. it is probable will not be permanent be quite insufficient for the purpose

AN IMPORTANT DECISION CONCERNING ASSESS-

The decision of the Supreme Court, General Term, in the case of J. W. Nach against The Mayor is one of considerable importance to the city. The plaintiff began proceedings to vacate an assessment and while they were pending paid it. Subsequently the assessment was vacated, and he sued to recover back the money as an involuntary payment under mistake. When such assessments are refunded they have to be paid from the judgment fund, and the burden of the improve-ments is hid upon the tax-payers generally. ments is laid upon the tax-payers generally. The present suit is the first one of the kind which has gone to the General Tetan. The Court holds that the payment by the plaintiff was voluntary, and made without coercion or duryes; it eays that the plaintiff, in the full knowledge of all the facts (which the bringing of the proceedings to vacate the assessment, is howed him to possess) cannot make the city his depository by voluntarily paying the money, intending, if he succeeds, to recover it back with interest. He must "stand his ground."

This decision will bar a large number of claims, each in itself insignificant, but which aggregate a very large amount. E. O. Audrews for plaintif; Wm. C. Whitney, Corporation Counsel, for the defendant.

A DEFAULTING CASHIER AS A WITNESS. In the suit of the Guardian Mutual Life Intrance Company against the Atlantic National Bank of the City of New-York, F. L. Taintor, the defaulting cashier of the bank, was yesterday the chief witness. The whole question in dispute is whether or not the transaction was between the plaintiff and the bank or between the plaintiff and Taintor individually. Taintor, who was the plaintiff and Taintor individually. Taintor, who was brought from State Prison for the purpose, gave his evidence with clearness and exactness. He stated the various transactions out of which the loan arose clearly, and showed a minute knowledge of the books of the bank. He insisted, as he had insisted on his own trial, that this transaction and others by him were under the authority and with the knowledge of the officers of the bank. The case is still on.

THE TREASURY

SECRETARY MORRILL'S REPORT.

THE NATION FULLY COMMITTED TO SPECIE RESUMP TION IN 1879-POWERS CONFERRED UPON THE SECRETARY BY THE RESUMPTION ACT-REFUND-ING THE DEBT-HOW SHALL THE LEGAL-TENDER NOTES BE REDEEMED !- THE VOLUME OF THE CURRENCY LARGELY IN EXCESS OF THE DEMANDS OF LEGITIMATE BUSINESS -- CONTRACTION OF PAPER AND AN INCREASE IN THE VOLUME OF SILVER ADVOCATED - THE BANKS - FORKIGN

TRADE. WASHINGTON, D. C., Dec. 4, 1876. Sm: Complying with the requirements of law, I have the honor to submit the following report:

ENDING JUNE 30, 1876. The moneys received and covered into the Treasury by warrants during the ascal year ending June 30, 1876,

RECEIPTS AND EXPENDITURES FOR THE FISCAL YEAR

were as follows: From casioms
From internal revenue
From sales of public lands...
From tax on circulation and deposits of na-From sales of public lands.
From tax on circulation and deposits of national banks.
From repayment of interest by Pacific Railway companies.
From customs' fines, penalities, &c...
From sales of Indian trust lands.
From free consular, letters patent, and land.
From proceeds of sales of Government property. 7,328,573 29 From marine hospital tax.... From steamboat fees. From profits on coinage, &c. From tax on seal skins. From miscellaneous sources. Total ordinary receipts...

Total net receipts, exclusive of loans..... \$287,482,039 16 Proceeds of bonds of 1881, Geneva award..... 5,613,826 12 .\$294,095,865 28 Total net receipts.
Balance in Treasury June 30, 1875, includir
deposits of coin and United States notes reresented by certificates outstanding.

Total available cash...... The net expenditures by warrants during the same \$17,232,248 83 1,410,252 50 5,966,558 17 28,257,595 69

caroons, river and nation improvements, and arsenals.

For navai establishment, including vessels and machinery and improvement at navy, yards.

For miscellaneous civil, including public buildings, light-houses, and collecting the revenues. 18,963,309 82 ennes. 48,315,872 45
For interest on public debt, including interest
on bonds issued to Pacific Railway companies 100,243,271 23

38,070,888 64

Total net expenditures \$258,459,797 33

Redemption of the public debt. \$51,889,464 80

Jodgments of Court of Alabama 6,641,287 26 58,530,752 06

.\$316,990,549 39 . 121,807,732 30 Total net disbursements...... Balance in Treasury June 30, 1876... \$438,798,281 69 Total..... This statement shows that the net revenues for the iscal year were \$287,482,039 16 And that the net expenditures were \$258,459,797 33

In the last annual report, page 6, the Secretary stated that in the judgment of the department the revenues for this fiscal year would reach the sum of \$297, 56,145 14. and the expenditures the sum of \$268,447,545 76, showing that there would be a surplus revenue of \$29,008,-601 38. By the statement of actual receipts and expenditures for this fiscal year it will be seen that the revenues yielded \$287,482,039 16, or \$9,974,105 98 less than the estimate, and that the net expenses amounted to \$258,459,797 33, or \$9,987,746 43 less than was anticipated, exhibiting a surplus beyonue of \$29,022,241 83, or \$13,640 45 in excess of the amount contemplated. It will thus be perceived that the estimates, when taken as whole, were remarkably reliable, varying from the actual results realized by the Treasury only to the extent of \$13,640 45.

RECEIPTS AND EXPENDITURES FOR THE FISCAL YEAR

ENDING JUNE 30, 1877.
The receipts during the first quarter were: From customs.
From internal revenue.
From sales of public lands.
From tax on circulation, &c., of national banks.
From repayment of interest by Pasific Railways
From constons; fines, &c.
From consular, patent and other fees.
From proceeds of sales of Government property. 3,534,707 8? 171,875 36 2,123,069 16 \$72,991,005 53 119,518 96 \$73,110,524 49 2,403,445 53

\$75,513,970 02 121,807,732 30 Total available..... The expenditures during the same period were:

For civil and miscellaneous expenses, includ-ing public brildings, lighthouses, and col-lecting the revenues.

Per Indians. For military establishment, including forth-cations, river, and harbor improvements, and arsenals.

For naval establishment, including vessels and machinery and improvements at navy-yares.

For interest on the public debt, including Pa-dic Railway bonds. 9.715.661 35

37,107,550 63 Total ordinary expenditures \$78,751,893 26 ledemption of the public debt. \$3,618,648 77 udgments of Court of Alabama 2,353,634 21

\$84,724,176 24 112,597,526 08 £197,321,702 32

For the remaining three quarters it is estimated that

the receipts will be-\$89,445,271,47 91,511,653,63 800,000,00 3,600,000,00 75,900,00 1,200,000,00 250,000,00 4,000,000 00

\$191,181,925 10 Total net receipts. For the same period it is estimated that the expenditures will be:

For civil and miscellaneous, including public 4,000,000 00 20,000,000 00 26,500,000 00 7,500,000 00 61,876,860 09 For pensions
For military establishment.
For naval establishment
For interest on the public debt. Total ordinary expenditures......\$158,876,860 09

It will be observed from the statement of actual receipts and expenditures for the first quarter, that ending sept. 30, and of the estimates of the same for the remaining three quarters, based upon existing laws, that it is expected that the revenues for the current fiscal year will yield the sum of \$264,292,449 59, and that the expenditures will amount to \$237,628,753 35, which will leave a surplus revenue of \$26,663,696 24. The amount which should be applied to the sinking fund is estimated at \$33,705,806 67. The surplus revenues will fail below that amount, in the opinion of the Department, by not less than \$7,042,110 43.

ESTIMATES FOR THE FISCAL YEAR ENDING JUNE 30. 1878. It is estimated that the receipts for the fiscal year end-

ing June 30, 1878, will be: \$130,000,000 00 From sales of public lands.
From sales of public lands.
From the one creatation of national banks.
From the one creatation of national banks.
For reinforcement of interest by Pacific Railway companies.
From anothers fines, penalties, and forefutures,
From process of sales of Government propert).
From miscellaneous sources. Total ordinary receipts.....\$270,050,000 00 It is estimated that the ordinary expenditures for the

same period will be:

tions, river and harbor actuals.

For navai establishment, including vessels and machinery and improvements at navy-yards.

For civil and miscellaneous, including public buildings, light-houses, collecting revenues, mail steamsing service, deficiency in postal revenues, public printing, &c.

For interest on public debt...

For interest on Pacific Railway bonds.

Total estimated expenditures, exclusive of the sinking fund account and principal of the public

Upon the basis of these estimates, there will be a surplus revenue for the fiscal year 1878, applicable to the sinking fund, of \$26,699,296. The estimated amount re-quired by law to be set apart for that fund is \$35,391, 096 60. If, therefore, these estimates shall prove to be approximately correct, there will be a deficiency in this account of \$8,691,800 60. The estimates received from the several Executive Departments are as follows: